



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**JEFFERSON COUNTY NORTH
UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS**

**FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018**

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page</u>
Independent Auditor's Report		1 - 3
Financial Statement:		
Summary Statement of Receipts, Expenditures, and Unencumbered Cash		4 - 5
Notes to Financial Statement		6 - 16
Supplementary Information:		
Summary of Expenditures - Budget and Actual	1	17
Schedule of Receipts and Expenditures:	2	
General Fund		18
Supplemental General Fund		19
Capital Outlay Fund		20
Driver Training Fund		21
Food Service Fund		22
Professional Development Fund		23
Special Education Fund		24
Extraordinary School Program Fund		25
Vocational Education Fund		26
Federal Grant Funds		27 - 28
KPERs Special Retirement Contribution Fund		29
At-Risk K-12 Fund		30
At-Risk 4 Year-Old Fund		31
Parent Education Program Fund		32
Gifts and Grants Fund		33
Bond and Interest Fund		34
Contingency Reserve Fund		35
Textbook Rental Fund		36
Construction Fund		37

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2018

TABLE OF CONTENTS
(Continued)

	<u>Schedule</u>	<u>Page</u>
Summary of Receipts and Disbursements: Student Organization Funds	3	38
Schedule of Receipts, Expenditures, and Unencumbered Cash - District Activity Funds	4	39
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>		40 - 41



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

3630 SW Burlingame Road Topeka, Kansas 66611 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: blandco CPA.com

INDEPENDENT AUDITOR'S REPORT

Board of Education
Jefferson County North Unified School District No. 339

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Jefferson County North Unified School District No. 339 (the District) as of and for the year ended June 30, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide (the KMAAG) as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable provisions of the KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the KMAAG described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 8, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

November 8, 2018
Topeka, Kansas

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND
UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2018

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances
General fund	\$ -	\$ -
Supplemental general fund	11,951	-
Special purpose funds:		
Capital outlay	497,335	-
Driver training	16,392	-
Food service	50,056	-
Professional development	3,966	-
Special education	319,983	-
Extraordinary school program	12,738	-
Vocational education	95,318	-
Federal grants	-	-
KPERS special retirement contribution	-	-
At-Risk K - 12	83,851	-
At-Risk 4 year-old	38,111	-
Parent education program	12,000	-
Gifts and grants	4,056	-
Contingency reserve	205,478	-
Textbook rental	151,897	-
District activity	12,162	-
Capital project fund:		
Construction fund	3,621	-
Bond and interest fund	306,324	-
	<u>\$ 1,825,239</u>	<u>\$ -</u>

Composition of cash

Kendall State Bank:

 Checking - NOW Account

 Checking - High school activity

 Checking - Elementary and Middle school activity

 Certificates of deposit

 Money market deposit account

Total Cash

Agency Funds per Schedule 3

Total Reporting Entity (Excluding Agency Funds)

See accompanying notes to financial statement.

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 3,795,961	\$ 3,795,961	\$ -	\$ 259,227	\$ 259,227
1,304,014	1,247,009	68,956	114,233	183,189
341,959	395,114	444,180	276,623	720,803
6,266	1,735	20,923	-	20,923
231,490	236,151	45,395	17,645	63,040
17,393	12,534	8,825	6,000	14,825
924,021	928,976	315,028	94	315,122
8,500	7,075	14,163	-	14,163
112,186	111,511	95,993	4,830	100,823
80,054	80,054	-	-	-
318,868	318,868	-	-	-
251,000	251,270	83,581	32,285	115,866
59,000	60,135	36,976	9,908	46,884
6,000	12,000	6,000	-	6,000
7,681	2,049	9,688	-	9,688
-	-	205,478	-	205,478
36,183	78,820	109,260	73,150	182,410
29,915	26,814	15,263	-	15,263
-	-	3,621	-	3,621
216,978	129,788	393,514	-	393,514
<u>\$ 7,747,469</u>	<u>\$ 7,695,864</u>	<u>\$ 1,876,844</u>	<u>\$ 793,995</u>	<u>\$ 2,670,839</u>

\$ 1,346,019
43,408
36,369
750,000
<u>559,557</u>
2,735,353
<u>(64,514)</u>
<u>\$ 2,670,839</u>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2018

1 - Municipal Financial Reporting Entity

Jefferson County North Unified School District No. 339 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all of the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2018:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

Capital Project Fund is used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest, principal, and related costs on long-term debt.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(a) Fund Descriptions (Continued)

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (the KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c) waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund, special purpose funds (unless specifically exempted by statute), and the bond and interest fund. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The District had no budget amendments for the year ended June 30, 2018.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the capital project fund, agency funds, or the following special purpose funds:

Contingency Reserve, Textbook Rental, and District Activity Funds

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(e) Annual Personal and Sick Leave Benefits

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(f) Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement meet the following criteria:

1. The related disbursement was made in the current year on behalf of the payee.
2. The item paid for was directly identifiable as having been used by or provided to the payee.
3. The amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

(g) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's investments were composed entirely of money market deposit accounts and certificates of deposit during and as of the fiscal year ended June 30, 2018.

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2018, the District's deposits were not exposed to custodial credit risk.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4 - In-substance Receipt in Transit

The District received \$ 219,689 and \$ 73,068 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipts were recorded as in-substance receipts in transit and included as receipts for the year ended June 30, 2018.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-term Debt

Changes in long-term debt for the District for the year ended June 30, 2018 were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Original Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
2013 GO Bond issue	2.00% to 3.25%	6/1/2013	\$ 2,000,000	09/01/2028	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 1,925,000</u>	<u>\$ 54,788</u>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-term Debt (Continued)

Maturities of long-term debt and interest through maturity are as follows:

	2019	2020	2021	2022	2023	2024 - 2028	2029	Total
Principal:								
General obligation bond	\$ 155,000	\$ 155,000	\$ 160,000	\$ 165,000	\$ 170,000	\$ 920,000	\$ 200,000	\$ 1,925,000
Interest:								
General obligation bond	\$ 52,487	\$ 49,388	\$ 46,237	\$ 42,162	\$ 37,138	\$ 105,494	\$ 3,250	\$ 336,156

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) was 12.01% for the fiscal year ended June 30, 2018. The State of Kansas contribution to KPERS for all school municipalities for the year ended June 30, 2018 was \$ 446,603,946.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 318,868 for the year ended June 30, 2018.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Defined Benefit Pension Plan (Continued)

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 4,061,482. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

7 - Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

8 - Operating Leases

The District has entered into operating leases for copiers and computer equipment. The leases contain cancellation provisions and are subject to annual appropriations. For the year ended June 30, 2018, rent expenditures were \$ 25,914 for these leases.

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

9 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2018. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	At-Risk 4 Year-Old	K.S.A. 72-6428	\$ 37,000
General	At-Risk K-12	K.S.A. 72-6428	50,000
General	Capital Outlay	K.S.A. 72-6428	174,804
General	Food Service	K.S.A. 72-6428	40,000
General	Special Education	K.S.A. 72-6428	668,417
General	Vocational Education	K.S.A. 72-6428	10,000
Supplemental General	At-Risk 4 Year-Old	K.S.A. 72-6433	22,000
Supplemental General	At-Risk K-12	K.S.A. 72-6433	201,000
Supplemental General	Professional Development	K.S.A. 72-6433	15,000
Supplemental General	Parent Education Program	K.S.A. 72-6433	6,000
Supplemental General	Special Education	K.S.A. 72-6433	245,000
Supplemental General	Vocational Education	K.S.A. 72-6433	93,911
			<u>\$ 1,563,132</u>

10 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2018

Fund	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General fund	\$ 3,844,558	\$ (108,963)	\$ 60,366	\$ 3,795,961	\$ 3,795,961	\$ -
Supplemental general fund	1,266,061	(34,022)	14,970	1,247,009	1,247,009	-
Special purpose funds:						
Capital outlay	602,500	-	-	602,500	395,114	(207,386)
Driver training	22,020	-	-	22,020	1,735	(20,285)
Food service	283,308	-	-	283,308	236,151	(47,157)
Professional development	15,360	-	-	15,360	12,534	(2,826)
Special education	1,030,905	-	-	1,030,905	928,976	(101,929)
Extraordinary school program	16,260	-	-	16,260	7,075	(9,185)
Vocational education	132,450	-	-	132,450	111,511	(20,939)
Federal grants	107,143	-	-	107,143	80,054	(27,089)
KPERs special retirement contribution	327,711	-	-	327,711	318,868	(8,843)
At-Risk K - 12	283,050	-	-	283,050	251,270	(31,780)
At-Risk 4 year-old	80,600	-	-	80,600	60,135	(20,465)
Parent education program	12,000	-	-	12,000	12,000	-
Gifts and grants	6,560	-	-	6,560	2,049	(4,511)
Bond and interest fund	129,788	-	-	129,788	129,788	-
Totals	<u>\$ 8,160,274</u>	<u>\$ (142,985)</u>	<u>\$ 75,336</u>	<u>\$ 8,092,625</u>	<u>\$ 7,590,230</u>	

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Mineral production tax	\$ 14	\$ 8	\$ (6)
State aid:			
General state aid	3,109,031	3,072,170	(36,861)
Special education aid	735,513	663,417	(72,096)
Reimbursed expenses	-	60,366	60,366
	<u>\$ 3,844,558</u>	<u>3,795,961</u>	<u>\$ (48,597)</u>
Total cash receipts			
Expenditures, encumbrances, and transfers:			
Instruction	\$ 1,828,175	1,749,440	\$ (78,735)
Student support services	86,500	92,942	6,442
Instructional support staff	38,140	33,398	(4,742)
General administration	245,350	237,182	(8,168)
School administration	272,750	247,790	(24,960)
Operations and maintenance	255,950	239,471	(16,479)
Transportation	225,780	213,753	(12,027)
Other supplemental services	1,400	1,764	364
Transfers out	890,513	980,221	89,708
Budget adjustment to comply with legal maximum	(108,963)		108,963
Budget adjustment for qualifying budget credits	60,366		(60,366)
	<u>\$ 3,795,961</u>	<u>3,795,961</u>	<u>\$ -</u>
Total expenditures, encumbrances, and transfers			
Cash receipts over expenditures, encumbrances, and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 491,938	\$ 511,820	\$ 19,882
Delinquent tax	3,888	17,627	13,739
Motor vehicle tax	47,801	45,300	(2,501)
Recreational vehicle tax	483	725	242
State aid:			
Supplemental aid	709,324	709,324	-
16/20M truck tax	676	4,248	3,572
Reimbursements	-	14,970	14,970
Total cash receipts	<u>\$ 1,254,110</u>	<u>1,304,014</u>	<u>\$ 49,904</u>
Expenditures, encumbrances, and transfers:			
Instruction	\$ 217,827	191,243	\$ (26,584)
Student support services	27,725	29,795	2,070
Instructional support staff	9,388	14,376	4,988
General administration	130,500	118,790	(11,710)
School administration	13,000	10,000	(3,000)
Central services	15,000	14,618	(382)
Operations and maintenance	309,921	285,351	(24,570)
Transportation	-	(75)	(75)
Transfers out	542,700	582,911	40,211
Budget adjustment to comply with legal maximum	(34,022)		34,022
Budget adjustment for qualifying budget credits	14,970		(14,970)
Total expenditures, encumbrances, and transfers	<u>\$ 1,247,009</u>	<u>1,247,009</u>	<u>\$ -</u>
Cash receipts over expenditures, encumbrances, and transfers		57,005	
Unencumbered cash, beginning		<u>11,951</u>	
Unencumbered cash, ending		<u>\$ 68,956</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Interest on idle funds	\$ 2,500	\$ 23,411	\$ 20,911
Taxes and shared revenue:			
Ad valorem property tax	67,517	68,764	1,247
Delinquent tax	1,184	3,104	1,920
Motor vehicle tax	15,256	14,475	(781)
Recreational vehicle tax	154	232	78
16/20M truck tax	216	1,389	1,173
State aid	36,071	36,077	6
Transfers in	-	174,804	174,804
Miscellaneous	-	19,703	19,703
Total cash receipts and transfers	<u>\$ 122,898</u>	<u>341,959</u>	<u>\$ 219,061</u>
Expenditures and encumbrances:			
Instruction	\$ 195,000	-	\$ (195,000)
General administration	5,000	-	(5,000)
School administration	1,500	-	(1,500)
Operations and maintenance	180,000	79,284	(100,716)
Transportation	200,000	27,458	(172,542)
Site acquisition and improvement	21,000	288,372	267,372
Total expenditures and encumbrances	<u>\$ 602,500</u>	<u>395,114</u>	<u>\$ (207,386)</u>
Cash receipts and transfers under expenditures and encumbrances		(53,155)	
Unencumbered cash, beginning		<u>497,335</u>	
Unencumbered cash, ending		<u>\$ 444,180</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid:			
Other state aid	\$ 4,200	\$ 2,816	\$ (1,384)
Other sources	3,750	3,450	(300)
Transfer in	5,000	-	(5,000)
Total cash receipts and transfer	<u>\$ 12,950</u>	<u>6,266</u>	<u>\$ (6,684)</u>
Expenditures:			
Instruction	\$ 21,020	1,236	\$ (19,784)
Vehicle operation	1,000	499	(501)
Total expenditures	<u>\$ 22,020</u>	<u>1,735</u>	<u>\$ (20,285)</u>
Cash receipts and transfer over expenditures		4,531	
Unencumbered cash, beginning		<u>16,392</u>	
Unencumbered cash, ending		<u>\$ 20,923</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts and transfers:			
Federal aid:			
Child nutrition programs	\$ 97,504	\$ 98,098	\$ 594
State aid:			
School food assistance	1,892	2,245	353
Charges for services	89,357	90,143	786
Transfers in	55,000	40,000	(15,000)
Reimbursements	<u>2,000</u>	<u>1,004</u>	<u>(996)</u>
Total cash receipts and transfers	<u><u>\$ 245,753</u></u>	<u><u>231,490</u></u>	<u><u>\$ (14,263)</u></u>
Expenditures and encumbrances:			
Operations and maintenance	\$ 11,010	11,727	\$ 717
Food service operation	<u>272,298</u>	<u>224,424</u>	<u>(47,874)</u>
Total expenditures and encumbrances	<u><u>\$ 283,308</u></u>	<u><u>236,151</u></u>	<u><u>\$ (47,157)</u></u>
Cash receipts and transfers under expenditures and encumbrances		(4,661)	
Unencumbered cash, beginning		<u>50,056</u>	
Unencumbered cash, ending		<u><u>\$ 45,395</u></u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Reimbursements	\$ -	\$ 183	\$ 183
State aid:			
Professional development aid	1,500	2,210	710
Transfers in	10,000	15,000	5,000
Total cash receipts and transfers	<u>\$ 11,500</u>	<u>17,393</u>	<u>\$ 5,893</u>
Expenditures and encumbrances:			
Instructional support staff	<u>\$ 15,360</u>	<u>12,534</u>	<u>\$ (2,826)</u>
Cash receipts and transfers over expenditures and encumbrances		4,859	
Unencumbered cash, beginning		<u>3,966</u>	
Unencumbered cash, ending		<u>\$ 8,825</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Federal aid:			
Other federal aid	\$ -	\$ 4,276	\$ 4,276
Other revenue	3,762	6,328	2,566
Transfers in	935,513	913,417	(22,096)
Total cash receipts and transfers	<u>\$ 939,275</u>	<u>924,021</u>	<u>\$ (15,254)</u>
Expenditures and encumbrances:			
Instruction	\$ 944,355	893,971	\$ (50,384)
Transportation	86,550	35,005	(51,545)
Total expenditures and encumbrances	<u>\$ 1,030,905</u>	<u>928,976</u>	<u>\$ (101,929)</u>
Cash receipts and transfers under expenditures and encumbrances		(4,955)	
Unencumbered cash, beginning		<u>319,983</u>	
Unencumbered cash, ending		<u>\$ 315,028</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

EXTRAORDINARY SCHOOL PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts:			
Tuition/class fees	\$ 13,000	\$ 8,500	\$ (4,500)
Expenditures:			
Instruction	\$ 16,260	7,075	\$ (9,185)
Cash receipts over expenditures		1,425	
Unencumbered cash, beginning		<u>12,738</u>	
Unencumbered cash, ending		<u>\$ 14,163</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

VOCATIONAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts and transfers:			
Transfers in	\$ 106,700	\$ 103,911	\$ (2,789)
Carl Perkins grant	3,000	2,534	(466)
State aid:			
CTE transportation state aid	5,904	5,741	(163)
Total cash receipts and transfers	<u>\$ 115,604</u>	112,186	<u>\$ (3,418)</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 132,450</u>	111,511	<u>\$ (20,939)</u>
Cash receipts and transfers over expenditures and encumbrances		675	
Unencumbered cash, beginning		<u>95,318</u>	
Unencumbered cash, ending		<u>\$ 95,993</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

FEDERAL GRANT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Title I	Teacher Quality Title II
Cash receipts:		
Federal funds:		
Grants	\$ 48,069	\$ 10,876
Expenditures:		
Instruction	48,069	2,727
Instructional support staff	-	8,149
Total expenditures	48,069	10,876
Cash receipts over expenditures	-	-
Unencumbered cash, beginning	-	-
Unencumbered cash, ending	\$ -	\$ -

(Continued)

<u>REAP</u>	<u>Title IV</u>	<u>Total Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
<u>\$ 19,774</u>	<u>\$ 1,335</u>	<u>\$ 80,054</u>	<u>\$ 107,143</u>	<u>\$ (27,089)</u>
19,774	-	70,570	\$ 92,350	\$ (21,780)
<u>-</u>	<u>1,335</u>	<u>9,484</u>	<u>14,793</u>	<u>(5,309)</u>
<u>19,774</u>	<u>1,335</u>	<u>80,054</u>	<u>\$ 107,143</u>	<u>\$ (27,089)</u>
-	-	-		
<u>-</u>	<u>-</u>	<u>-</u>		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	Budget	Actual	Variance Over (Under)
Cash receipts:			
State aid:			
KPERS state aid	\$ 327,711	\$ 318,868	\$ (8,843)
Expenditures:			
Instruction	\$ 197,711	210,410	\$ 12,699
Support services	16,000	12,468	(3,532)
Instructional support	7,500	3,546	(3,954)
General administration	26,000	20,292	(5,708)
School administration	27,500	24,215	(3,285)
Operations and maintenance	26,000	22,351	(3,649)
Transportation	16,000	15,523	(477)
Food service	11,000	10,063	(937)
Total expenditures	\$ 327,711	318,868	\$ (8,843)
Cash receipts over expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ -	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

AT-RISK K - 12 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	\$ 250,000	\$ 251,000	\$ 1,000
Expenditures and encumbrances:			
Instruction	\$ 245,000	211,461	\$ (33,539)
Student support services	38,050	39,809	1,759
Total expenditures and encumbrances	\$ 283,050	251,270	\$ (31,780)
Transfers under expenditures and encumbrances		(270)	
Unencumbered cash, beginning		83,851	
Unencumbered cash, ending		\$ 83,581	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

AT-RISK 4 YEAR-OLD FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	<u>\$ 65,000</u>	\$ 59,000	<u>\$ (6,000)</u>
Expenditures and encumbrances:			
Instruction	<u>\$ 80,600</u>	<u> 60,135</u>	<u>\$ (20,465)</u>
Transfers under expenditures and encumbrances		(1,135)	
Unencumbered cash, beginning		<u> 38,111</u>	
Unencumbered cash, ending		<u>\$ 36,976</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

PARENT EDUCATION PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	<u>\$ 6,000</u>	\$ 6,000	<u>\$ -</u>
Expenditures:			
Student support services	<u>\$ 12,000</u>	<u>12,000</u>	<u>\$ -</u>
Transfers under expenditures		(6,000)	
Unencumbered cash, beginning		<u>12,000</u>	
Unencumbered cash, ending		<u>\$ 6,000</u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts:			
Other revenue	\$ 3,500	\$ 7,681	\$ 4,181
Expenditures:			
Instruction	\$ 6,560	2,049	\$ (4,511)
Cash receipts over expenditures		5,632	
Unencumbered cash, beginning		4,056	
Unencumbered cash, ending		\$ 9,688	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 122,968	\$ 125,497	\$ 2,529
Delinquent tax	1,218	4,839	3,621
Motor vehicle tax	15,702	14,889	(813)
Recreational vehicle tax	159	238	79
16/20M truck tax	222	1,429	1,207
State aid:			
State bond payments	<u>70,086</u>	<u>70,086</u>	<u>-</u>
Total cash receipts	<u><u>\$ 210,355</u></u>	<u><u>216,978</u></u>	<u><u>\$ 6,623</u></u>
Expenditures:			
Principal	\$ 75,000	75,000	-
Interest	<u>54,788</u>	<u>54,788</u>	<u>-</u>
Total expenditures	<u><u>\$ 129,788</u></u>	<u><u>129,788</u></u>	<u><u>\$ -</u></u>
Cash receipts over expenditures		87,190	
Unencumbered cash, beginning		<u>306,324</u>	
Unencumbered cash, ending		<u><u>\$ 393,514</u></u>	

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Unencumbered cash, beginning	<u>\$ 205,478</u>
Unencumbered cash, ending	<u><u>\$ 205,478</u></u>

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

TEXTBOOK RENTAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Cash receipts:	
Charges for services	<u>\$ 36,183</u>
Expenditures and encumbrances:	
Instruction	77,502
Food service	<u>1,318</u>
Total expenditures and encumbrances	<u>78,820</u>
Cash receipts under expenditures and encumbrances	(42,637)
Unencumbered cash, beginning	<u>151,897</u>
Unencumbered cash, ending	<u><u>\$ 109,260</u></u>

(Continued)

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

CONSTRUCTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2018

Unencumbered cash, beginning	\$ 3,621
Unencumbered cash, ending	<u>\$ 3,621</u>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2018

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Middle School:				
Activity	\$ 6,701	\$ 9,415	\$ 10,201	\$ 5,915
Cheerleading	2,680	5,816	5,821	2,675
Coke	4,010	1,446	830	4,626
Knowledge bowl	787	-	-	787
Leadership council	4,411	5,358	6,913	2,856
MS book fair	444	5,216	6,312	(652)
Pep Club	16,412	8,696	5,402	19,706
Recycling	711	-	255	456
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal Middle School	36,156	35,947	35,734	36,369
	<hr/>	<hr/>	<hr/>	<hr/>
High School:				
Activity	810	1,168	1,978	-
Entrepreneurship	1,204	4,459	5,111	552
FBLA	207	6,515	6,565	157
Forensics	1,193	-	472	721
Gifted	633	365	625	373
Junior class	3,692	8,021	9,187	2,526
Letter club	924	1,495	1,129	1,290
Music	7,185	39,823	45,270	1,738
National honor society	21	-	-	21
Pep club/cheerleaders	1,973	12,080	9,439	4,614
Scholarbowl	715	772	1,025	462
Senior class	-	3,717	3,387	330
Sophomore class	2,079	3,624	3,951	1,752
Spanish	906	8,324	6,158	3,072
SPED donations	66	-	66	-
Speech and drama	1,499	4,746	3,514	2,731
STUCO	4,606	3,970	4,510	4,066
Volleyball letter club	256	2,500	2,213	543
Wellness program	21	300	50	271
Yearbook	4,405	5,517	6,996	2,926
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal High School	32,395	107,396	111,646	28,145
	<hr/>	<hr/>	<hr/>	<hr/>
Total student organization funds	\$ 68,551	\$ 143,343	\$ 147,380	\$ 64,514
	<hr/>	<hr/>	<hr/>	<hr/>

JEFFERSON COUNTY NORTH UNIFIED SCHOOL DISTRICT NO. 339
WINCHESTER, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2018

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:							
High school athletics	\$ 12,162	\$ -	\$ 29,915	\$ 26,814	\$ 15,263	\$ -	\$ 15,263



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

3630 SW Burlingame Road Topeka, Kansas 66611 | t: 785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandco CPA.com

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Jefferson County North Unified School District No. 339:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Jefferson County North Unified School District No. 339 (the District) which comprises the summary statement of regulatory basis receipts, expenditures, and unencumbered cash as of June 30, 2018 and the related notes to the financial statement and have issued our report thereon dated November 8, 2018. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatement on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

November 8, 2018
Topeka, Kansas